

THE PURPOSE OF THE RETAIL INTRAPRENEURSHIP
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Abstract. Intrapreneurship is the end result of innovative activity, realized through transformation trade technological process. Author's position is to justify the feasibility of using a systematic approach in operational activities trading enterprise. A systematic approach to retail trade involves the interconnection of production, trade technological process and management superstructure. Marketing and trade technology intersect in the organizational process. Methodology for evaluating Intrapreneurship allows you to evaluate the effectiveness of their application in the trade and technological process. Usage Intrapreneurship in trade helps make management decisions, builds consumer loyalty to the enterprise, increases its competitiveness.

Keywords. entrepreneurship; retail; marketing; innovation; marketing technologies; intrapreneurship;

Introduction. In this article, it will be illuminated the term of intrapreneurship its difference from entrepreneurship and purpose of usage in order to improve the effectiveness of company management and sales turnout. Moreover, we see through latest innovations that in trend for global companies and would be trends in business sphere in the future, providing conclusions and offers.

Method. This paper included review of multiple studies, comparisons and applications of the term Intrapreneurship in the world focusing on analysis and data research. This study is a compilation of data obtained from these multiple sources and is concentrating on journal and textbook information together with the researchers' experience preparing for, and internet websites.

Analysis and results Below, there is given data that sheds light on the term Intrapreneurship which can give superiority and effective usage of the resources for the enterprises or companies globally.

The term "intrapreneur" is a portmanteau of the two words "internal" (or the prefix "intra" to mean internal) and "entrepreneur." It was first coined by the couple Gifford Pinchot III and Elizabeth S. Pinchot in a 1978 white paper titled "Intra-Corporate Entrepreneurship" for the Tarrytown School for Entrepreneurs. After this white paper was released, the term began to gain traction in various academic studies. In February 1985, *Time* magazine had an article "Here Come the Intrapreneurs" which popularized the term even further¹.

Intrapreneurship is defined as the behavior of employees who take the initiative within their organization to develop new products, services, or processes. It is defined as a person who operates within a large corporation or organization and takes creative risks to improve the organization. One main way intrapreneurship differs from entrepreneurship is that it occurs within an existing workplace. Due to this, intrapreneurs are different from entrepreneurs in that they do not start their own businesses or take their own financial risks². The concept of intrapreneurship has become increasingly important in recent years as organizations look for ways to encourage innovation and creativity within their ranks. Many companies now have programs and initiatives specifically designed to foster intrapreneurship. While intrapreneurship is often associated with large organizations, it can occur in any company. In some cases, small businesses may actually be better suited to encourage and support intrapreneurship since they are nimbler and can more easily implement new ideas³.

¹ <https://content.time.com/time/subscriber/article/0,33009,959877,00.html>

² [Intrapreneurship: Definition, Duties, and Responsibilities \(investopedia.com\)](#)

³ <https://magazine.business.columbia.edu/ws-24/new-intrapreneurs>

There are several benefits of intrapreneurship for both organizations and employees. Some of the most notable benefits include:

- **Employee Morale:** Intrapreneurship can improve employee morale by giving employees a sense of ownership and responsibility for their work. It can also help to increase job satisfaction and motivation.
- **Competitive Advantage:** Intrapreneurship can give organizations a competitive advantage by helping them to develop new products, services, or processes. Intrapreneurs always think outside the box and are not afraid of taking risks, allowing organizations to stay ahead of the competition.
- **Increased Revenue:** Intrapreneurship can increase revenue for organizations as they develop new products, services, or processes. Intrapreneurs always look for ways to improve existing products, services, or processes, helping to increase sales and profits.

Below, we can see the difference between the Intrapreneurship vs. Entrepreneurship (Table 2.2.)

Table 2.2.

The difference between the Intrapreneurship vs. Entrepreneurship⁴

Intrapreneurship	Entrepreneurship
It is involved in an existing company	Involved in newly established business
It is dependent to the mother company	The running of business is independent
The mother company takes care of all risks involved	The risks are taken by the entrepreneur
Uses resources provided by the company	A company uses its own resources

⁴ [Social Intrapreneur & Intrapreneurship | Definition & Examples | Study.com](#)

Transitions and renews the organizational system in a company	Creates its own culture and managerial systems
More concerned with restoration	It is more concerned with intuition

Organizations that embrace intrapreneurship often have a more entrepreneurial culture. This type of culture is often more open to new ideas and change. Some have suggested that many millennials are natural intrapreneurs. Those with this view believe it is due to their willingness to take risks, embrace change, and challenge the status quo. It is thought that millennials are often more open to new ideas and less afraid of failure, which can make them well-suited for intrapreneurship.

Below given purposes behind retail intrapreneurship are:

Understanding the Customer. It is important to know the customer's needs, buying behavior and buying power. An intrapreneur conducts surveys and promotions to gather information and perform analysis about what customers want.

Creating New Products. Intrapreneurs are highly motivated and talented individuals who want to create something new which doesn't exist currently. They either want to solve an existing problem or add value to an existing product.

Designing the Right Products. Understanding the customer's likes and dislikes about a product or a service helps an intrapreneur design the right products which creates value and demand.

Retailing can be said to be the interface between the producer and the individual consumer buying for personal consumption. Traditional retail businesses usually follow a **pyramid structure**, where the decision making of products and services lies with the top executives. The execution is generally done by people in

the bottom hierarchy of the pyramid who have no control in the decision-making process.



Figure 2.3. Traditional retail business pyramid structure⁵

This type of structure lacks creativity and innovative ideas (Figure 2.3.) The main difference between entrepreneurship and intrapreneurship is that intrapreneurship is conducted within a business/organization that already exists. Retail intrapreneurs are employees of a company who are assigned special projects that can include creating a new market or process.

In modern retail businesses, who follow a **flat structure**, the decision making lies in the hands of creative people (intrapreneurs) who are also involved in implementing the final product. They develop a vision for any product and work together with the team to achieve that goal (Figure 2.4.):

⁵ <https://www.quora.com/What-is-the-actual-difference-between-a-pyramid-scheme-and-a-pyramid-shaped-corporate-hierarchy>

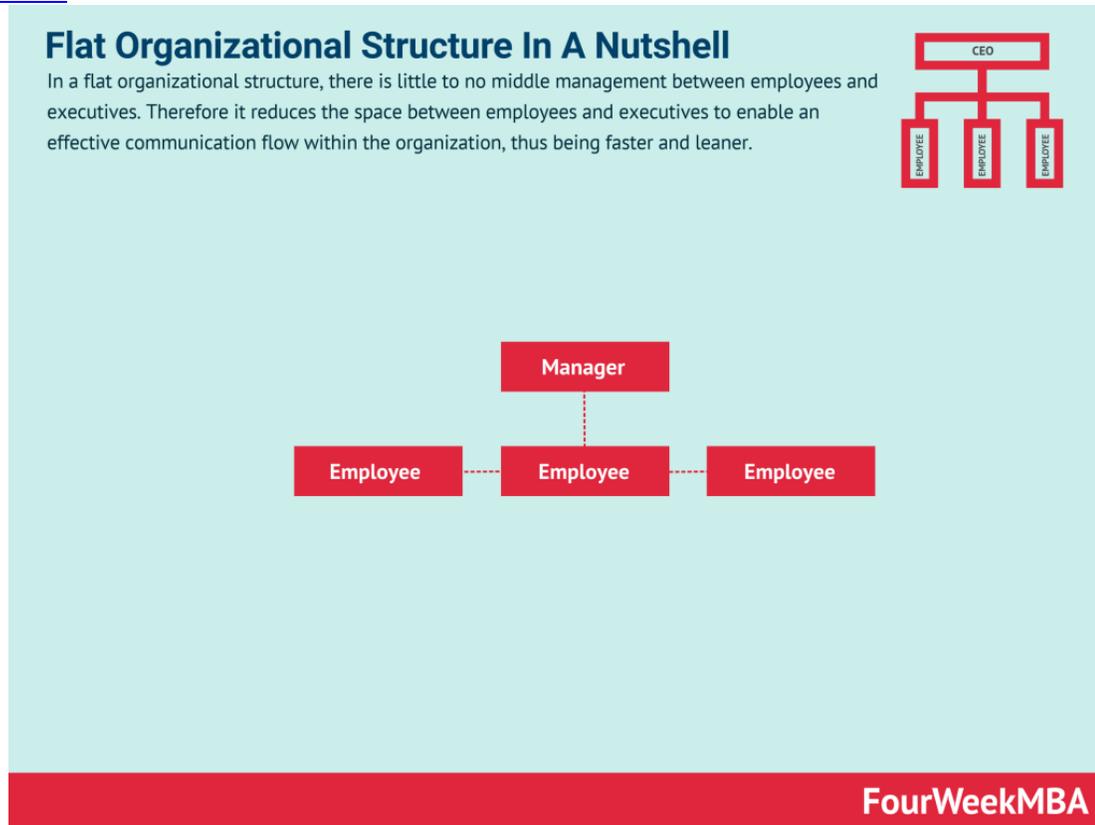


Figure 2.3. Modern Retail Business flat structure⁶

Intrapreneurs in retail companies perform research and come out with a working prototype, which can be tested in the market. The result of prototype testing can be positive or negative. Companies have to face a lot of challenges in order to carry out intrapreneurship activities. A few of these challenges are:

Conclusions and offers. The structure of businesses is complex and decision making is not smooth. Intrapreneurs who do not get independence and autonomy to quickly proceed in implementing innovative ideas will not be able to produce⁷. Intrapreneurs are typically creative, curious, innovative, and passionate individuals willing to take risks to improve their companies. Organizations can support intrapreneurship by encouraging the development of new ideas, asking

⁶ <https://fourweekmba.com/flat-organizational-structure/>

⁷ [Retail Intrapreneurship: Purpose, Structure & Challenges | Study.com](#)

employees for their thoughts and opinions, creating a process for hearing and developing new ideas, and providing resources/support. Intrapreneurship has many benefits, including higher revenue, a better competitive advantage, and improved employee morale. An example of intrapreneurship would be if an employee came up with a new and enhanced shipping process that the company then supported and implemented.

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